
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 2.24.2010

Wall Street Journal: "'Volcker Rule' Stalls in Senate ... Key senators are expected to scrap President Barack Obama's proposal to prohibit commercial banks from certain risky trading activities, people familiar with the matter said, a setback for the administration's bid to limit the size and scope of the largest U.S. banks."

Wall Street Journal: "Fed to Get \$200 Billion Boost ... The Treasury said it will borrow \$200 billion and leave the cash proceeds on deposit with the Federal Reserve, reviving a program that will make it easier for the Fed to raise interest rates when the time comes."

Wall Street Journal: "Another Fed Maneuver to Digest ... The Treasury announced this afternoon that it is going to revive a program in which it borrows \$200 billion by issuing short-term bills and leaves the cash on deposit with the Federal Reserve. Why? And why now?"

Wall Street Journal: "In Defense of Financial Speculation ... George Soros, Washington Democratic Sen. Maria Cantwell and others are proposing to curb speculative trading and even outlaw it in credit default swap (CDS) markets. Their proposals appear to be based on a misconception of speculation and could harm financial markets."

Washington Post: "Wall Street shifting political contributions to Republicans ... Commercial banks and high-flying investment firms have shifted their political contributions toward Republicans in recent months amid harsh rhetoric from Democrats about fat bank profits, generous bonuses and stingy lending policies on Wall Street."

Washington Post: "Troubled banking industry sharply reduced lending in 2009 ... Lending by the banking industry fell by \$587 billion, or 7.5 percent, in 2009, the largest annual decline since the 1940s, as the number of troubled financial institutions rose sharply, the Federal Deposit Insurance Corp. reported Tuesday."

NY Times: "China Tells Banks to Restrict Loans to Local Governments ... China's banking regulator has told commercial lenders to restrict new lending to the financing arms of local governments, a measure designed to pre-empt potential overheating in the country's booming economy."

USA Today: "Investors sweat out Fed interest rate increases ... For the first time in the bull market, investors are wondering if interest rates pose a danger to stocks."

USA Today: "Banks report small profit but 'problem' list jumps ... America's banks eked out a small profit in the fourth quarter as the U.S. economy recovered, but the number of banks considered troubled jumped to more than 700, the government reported Tuesday."

Washington Times: "U.S. will use banks to thwart Iran nukes ... The Obama administration, having failed in its first year to reach an entente with Iran, will toughen U.S. policy by applying unprecedented pressures on that regime as it continues its quest to become a nuclear power."

Washington Times: "Bernanke to address Congress on jobs ... Ben Bernanke goes to Capitol Hill on Wednesday carrying the weight of high expectations."

Washington Times: "No easy access for card warning ... It's meant to jolt borrowers from the complacency of debt: A new credit-card statement that spells out the price of making only minimum payments."

The American: "Bernanke's Confidence Game ... Federal Reserve Chairman Ben Bernanke's congressional testimony this week will likely provide striking confirmation of how much attitudes toward economic policy making have shifted in recent months."

The New Republic: "Shooting Banks ... On January 21, in an abrupt change of policy, President Obama announced his intention to take on the big bankers who have brought us so much trouble. "If these folks want a fight, it's a fight I'm ready to have," he said with a clenched jaw at a press conference."

Bloomberg: "Geithner May Give Regulators Leeway in Applying Volcker Rule ... The U.S. Treasury Department wants to give regulators discretion to define proprietary trading as the White House tries to revive its plan to bar banks from making hazardous bets that could cause another financial crisis.'

Bloomberg: "Bernanke Likely to Face Questions on Jobless Recovery (Update1) ... Federal Reserve Chairman Ben S. Bernanke, in two days of congressional testimony beginning today, will probably face questions on how he plans to end the worst jobs slump since the Great Depression."

Politico: "Christopher Dodd walks reform high-wire ... As Senate Banking Committee Chairman Chris Dodd prepares a new and improved financial reform bill for possible release in the coming days, all eyes are on the treacherous high-wire act Dodd must perform on the topic of consumer protection."

Politico: "Treasury tries to humanize Timothy Geithner ... Many Americans see green, as in dollars, when they think of Timothy Geithner, but they're probably not used to seeing green, as in lettuce."

The Hill: "Pay czar: You're worth less than you think ... "You're only paying me \$9 million?" the Wall Street executive asked. "Why don't you like me?""